

TORONTO STOCK EXCHANGE

LISTING STATEMENT

LONG ISLAND PETROLEUMS LIMITED

Incorporated under The Alberta Companies Act, under Certificate of Incorporation dated January 10, 1949

1. Address of the Company's Head Office and of any other offices:
 Suites 8 and 9, Ingraham Building, Calgary, Alberta.

2. Officers of the Company:

OFFICE HELD	NAME	ADDRESS	OCCUPATION
President	Dirk A. Scholten	c/o Central Motors, Medicine Hat, Alberta	Manager
Vice-President and Managing Director	Edward H. LaBorde	1121 Frontenac Avenue, Calgary, Alberta	Oil Operator
Secretary-Treasurer	Stephen R. Dunn	1012-19th Avenue SE, Calgary, Alberta	Secretary

3. Directors of the Company:

NAME	ADDRESS	OCCUPATION
Dirk A. Scholten	c/o Central Motors, Medicine Hat, Alberta	Manager
Edward H. LaBorde	1121 Frontenac Avenue, Calgary, Alberta	Oil Operator
J. K. Ringland	Herald Building, Lethbridge, Alberta	Investment Dealer
George McMahon	3634 Elbow Drive, Calgary, Alberta	Oil Operator
Norman G. Lacey	1216-7th Street West, Calgary, Alberta	Manager
William S. Gray	1016 Sifton Blvd., Calgary, Alberta	Oil Operator
Basil O. Jones	19 Elderwood Drive, Toronto, Ontario	Oil Operator

4. Names and addresses of all transfer agents:

The Toronto General Trusts Corporation at:
 253 Bay Street, Toronto, Ontario;
 315-8th Avenue West, Calgary, Alberta;
 Corner Seymour and Pender Streets, Vancouver, B.C.

5. Particulars of any fee charged upon transfer other than customary government taxes:
 Twenty-five Cents (25c) per Certificate on Transfers.

6. Names and addresses of all registrars:
 See 4 above. (Same as transfer agents.)

7. Amount of authorized capital:

4,000,000 shares without nominal or par value to be sold for not more than 25c per share.

8. Number of shares and par value: 4,000,000 shares, no par value.

9. Full details of all shares issued in payment for properties or for any other assets other than cash:

Date	Number of Shares	Description
March 26, 1949.....	1,000,000	N.W. $\frac{1}{4}$ Secs. 4, 17, 20 and 21, all 52-25, W. 4th M., Alberta. (Company acquired a $\frac{1}{4}$ interest of Consolidated Homestead Oil Co. Ltd.'s 60% interest.)
		E. $\frac{1}{2}$ Sec. 22-52-25, W. 4th M. Alberta. (Company acquired a $\frac{1}{4}$ interest of the rights of Consolidated Homestead Oil Co. Ltd. under Agreement between Homestead with Imperial Oil for Lease of said lands.)
		98,240 acres in Twp. 60, 61 and 62, Rge. 8 and in Twp. 61 and 62, Rge. 9, W. 4th M., Alberta. (Company acquired a $\frac{1}{2}$ interest in the above lands.)
		Secs. 27, 28, 29, 33, S.W. and N.E. $\frac{1}{4}$ of Secs. 20, 22, 32 and 34, all 57-25, W. 4th M., Alberta. (Company acquired a $1/3$ interest in said lands.)
		Secs. 1, 10 N.E. $\frac{1}{4}$ 13, Secs. 15, 16, 22, 23, E. $\frac{1}{2}$ 25, S.E. $\frac{1}{4}$ 27, S. $\frac{1}{2}$ 28, all 51-11, W. 4th M.; W. $\frac{1}{2}$ 5, Secs. 6, 7, 18, W. $\frac{1}{2}$ 19, Secs. 29 and 30, all 51-10, W. 4th M., Alberta. (Company acquired a $\frac{1}{2}$ interest in said lands under Agreement with Barns dall Oil Company.)

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

10. Full details of all shares sold for cash.

Date	No. of Shares	Price per Share	Amount realized by Company
Up to December 31, 1949	500,000	25c	\$ 93,750.62
June 7, 1950	500,000	15c	75,000.00
June 27, 1950	250,000	17½c	43,750.00
August 18, 1950	100,000	20c	20,000.00
October 17, 1950	150,000	20c	30,000.00
Total.....	1,500,000		\$262,500.62

11. Total number of shares issued.

2,500,000.

12. Number of shares now in treasury or otherwise unissued.

1,500,000.

13. Particulars of any issued shares held in trust for the Company or donated for treasury purposes.

None.

14. Date of last annual meeting.

July 4th, 1950.

15. Date of last report to shareholders.

July 28th, 1950.

16. Details of any treasury shares (or shares issued subject to payment or shares held for the benefit of the treasury) now under option or the subject of any underwriting or sales agreement. If none, this is to be stated.

None.

17. Details of any shares pooled, deposited in escrow, non-transferable or held under any syndicate agreement or control.

None.

18. Details of any registration with or approval or authority for sale granted by or any filing with a Securities Commission or corresponding Government body.

Registration under The Securities Act of Alberta for the years 1949 and 1950 under Registration Number B-1634, and surrendered on May 29th, 1950.

19. Has any application for registration with, or approval or authority for sale by or any filing with a Securities Commission or corresponding Government body ever been refused, cancelled or revoked? If so, give particulars.	No.
20. Particulars of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.
<p>21. Enumerate fully, giving claim or property numbers, approximate acreage, townships and mining camp or oil field:</p> <p>(a) Properties owned where titles vested in Company.</p> <p>(b) Properties leased.</p> <p>(c) Properties otherwise held. Give particulars of title held by the Company in each instance, (e.g. patented, unpatented, Crown granted, held under mining license, perpetual lease, etc.)</p>	See "List of Acreage" on page 7.
22. Full particulars of any royalties or other charges payable upon production from each individual property.	See "List of Acreage" on page 7.
23. Are any lawsuits pending against the Company or any of its properties, or are there any other circumstances which might affect the Company's position or title adversely? If so, explain fully.	No.
24. Describe plant and equipment on property.	On one well completed in the Campbell area, Alberta, 4,000 feet of casing, and Christmas Tree assembly. On another well in Campbell area, 4,000 feet casing and tubing; surface equipment including tanks, separators, pump jack, motor and flow-line. (The Company owns a 1/6th interest in equipment on both wells.)
25. Describe development accomplished and planned.	See "Development Accomplished and Planned" on page 6.

26. Date and author of mining engineer's or petroleum geologist's report filed with this application and available for inspection on request.	October 5th, 1950—Link and Nauss, Exploration Consultants.
27. Full particulars of production to date.	No production has yet been sold.
28. Have any dividends been paid? If so, give dates, per share rate, and amount paid in dollars on each distribution.	No.
29. Name and address of the solicitor or attorney whose certificate as to titles and to the fact that there are no encumbrances or tax arrears has been filed with the Exchange.	Percy L. Sanford, 515 Lancaster Building, Calgary, Alberta.
30. Name and address of the solicitor or attorney whose certificate as to the legality of the incorporation and organization of the Company, the validity of its shares and the fact that they are fully paid and non-assessable has been filed with the Exchange.	Percy L. Sanford, 515 Lancaster Building, Calgary, Alberta.
31. Has the listing of any shares of the Company ever been refused or deferred on any stock exchange? If so, give particulars.	No.
32. (a) Have any shares of the Company ever been listed on any other stock exchange? If so give particulars. (b) Is any application for listing the shares of the Company on any other stock exchange now pending or contemplated? If so, give particulars.	The shares of the Company are listed on the Calgary Stock Exchange and the Montreal Curb Market. None pending.

Dated at Calgary, Alberta, the 23rd day of October, 1950.



LONG ISLAND PETROLEUMS LIMITED
"E. H. LABORDE," Vice-President
"S. R. DUNN," Secretary.

**STATEMENT SHOWING NUMBER OF SHAREHOLDERS
as of September 30th, 1950**

<i>Number</i>	<i>Holders of</i>	<i>1 - 100 shares.....</i>	<i>Shares</i>
110	" " 101 - 1000 "	.....	407
32	" " 1001 - 2000 "	.....	80,750
9	" " 2001 - 3000 "	.....	63,000
19	" " 3001 - 4000 "	.....	24,100
7	" " 4001 - 5000 "	.....	75,450
38	" " 5001 - up "	.....	35,000
			2,071,293
225	Stockholders	Total Shares.....	2,350,000

FINANCIAL STATEMENTS

SUPPLEMENTAL FINANCIAL INFORMATION

Since September 30, 1950, the date of the interim balance sheet published below, the Company has received the sum of \$30,000. from the sale of 150,000 shares of treasury stock at 20 cents a share, as set out in Item 10 on page 2, and its cash assets and issued capitalization as set out below have, therefore, been increased accordingly.

INTERIM BALANCE SHEET AT SEPTEMBER 30, 1950

ASSETS

CURRENT:

Cash on hand.....	\$.55
Balances at bank (after providing for outstanding cheques).....	85,577.15
Petroleum and Natural Gas Conservation Board—Deposit.....	2,500.00
Accounts receivable.....	4,018.24
	<hr/>
	\$ 92,095.94

EQUITIES IN PROPERTIES:

Mineral Rights and Leases	
per agreements as valued by the Directors.....	\$ 10,000.00
at cost, including rentals to date.....	51,974.07
Land—Birch Lake Area—at cost.....	1,754.11
Reservation surveys—at cost.....	11,524.87
	<hr/>
	75,253.05

EQUITY IN PRODUCING OIL WELL:

High Crest Long Island Campbell No. 1 well—at cost to date.....	1,019.87
---	----------

EQUITIES IN GAS WELLS—CAPPED

Bailey Long Island No. 1 well—at cost.....	\$ 21,843.40
Saffold Long Island Campbell No. 1 well—at cost.....	4,821.43

26,664.83

EQUITY IN CURRENT DEVELOPMENT:

Spooner Tower Opal No. 1 well—deposit on account of future drilling.....	9,696.43
--	----------

FIXED:

Automobile—at cost.....	\$ 2,697.95
Less: Reserve for depreciation.....	202.35

2,495.60

DEFERRED EXPENSE:

Unexpired insurance.....	78.48
Preparatory expenditure—future exploration.....	200.00

278.48

INTANGIBLES:

Incorporation and prospectus costs.....	4,506.56
Promotion.....	5,941.42
	<hr/>
	10,447.98
	<hr/>
	\$217,952.18

LIABILITIES AND CAPITAL

CURRENT LIABILITIES:

Accounts payable.....	\$ 2,781.25
St. Walburg Syndicate.....	15,000.00
	<hr/>
	\$ 17,781.25

SHARE CAPITAL:

Authorized	
4,000,000 shares.....	No Par Value
Issued and fully paid	
1,000,000 shares in terms of agreements.....	\$ 10,000.00
1,350,000 shares for cash.....	255,431.87
	<hr/>
2,350,000	\$265,431.87
Deduct Commission Paid.....	22,931.25
	<hr/>
	\$242,500.62

DEFICIT ACCOUNT:

Equities in unproductive wells—written off Pan Western West Edmonton No. 1 well.....	\$12,319.12
Long Island Birch Lake No. 1 well.....	24,094.11
	<hr/>
	\$36,413.23
Debit Balance on General Operating (per Statement II).....	5,916.46
	<hr/>
	42,329.69
	<hr/>
	200,170.93
	<hr/>
	\$217,952.18

Signed on behalf of the Board:

"E. H. LABORDE," *Director*.
"W. S. GRAY," *Director*.

AUDITORS' REPORT

We have examined the Interim Balance Sheet of Long Island Petroleums Limited at 30th September, 1950 and report that we have obtained all of the information and explanations which we have required.

We further report that the Interim Balance Sheet shown above exhibits a true and correct view of the state of the Company's affairs at 30th September, 1950, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Calgary, 19th October, 1950.

HOWARD, MUNN & RICHARDS
Chartered Accountants,
Auditors.

INTERIM GENERAL OPERATING STATEMENT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1950

EXPENSES:

Salary.....	\$1,000.00
Office Expense.....	114.97
Telephone and telegraph.....	\$ 52.60
Postage and excise.....	49.70
	<hr/>
Registrar and Transfer Agent's Fees and expenses.....	\$ 300.97
Audit.....	185.00
Legal.....	1,031.49
	<hr/>
Maps and publications.....	105.06
Exchange.....	12.50
Surface Rights Rental, Bailey Long Island No. 1 well.....	150.00
Insurance.....	26.16
Listing Fees.....	750.00
Seismic surveys written off.....	375.00
Automobile expenses.....	\$ 104.58
Provision for depreciation—automobile.....	202.35
	<hr/>
	306.93
Debit Balance on General Operating, for the nine months to date.....	\$4,460.38
Debit Balance on General Operating at 31st December, 1949.....	1,456.08
	<hr/>
Debit Balance at 30th September, 1950, carried to Balance Sheet (Statement I).....	\$5,916.46

Development Accomplished and Planned

In West Edmonton Area, Alberta:

A well was drilled on the lands in which the Company is interested in this area, but obtained salt water and was abandoned.

In Glendon Area, Alberta:

A seismographic survey has been completed and one well drilled, without obtaining production.

In Manawan Area, Alberta:

One well was drilled and obtained a large gas flow and has been capped as a gas well.

In St. Walburg Area, Saskatchewan:

A program of core drilling to outline structural conditions has been completed on the lands on which the Company is interested in this area. Arrangements are now being made to commence a deep test well thereon and a Drilling Contract has been let with the intention of commencing immediate drilling operations.

In Opal Area, Alberta:

Operations have been commenced for the drilling of a well on Legal Subdivision Ten (10) of Section Thirteen (13), in Township Fifty-Eight (58), Range Twenty-Three (23), West Fourth (4th) Meridian.

In Spring Coulee Area, Alberta:

Plans have been formulated for the commencement of the drilling of a well on the lands in which the Company is interested in that area within Thirty (30) days after completion of a well presently being drilled in that area known as "National-Calvan-Tower No. 1" if that well shows commercial production.

In Campbell Area, Alberta:

- (a) A well has been completed as a gas well on Legal Subdivision Fifteen (15) of Section Fourteen (14), in Township Fifty-Four (54), Range Twenty-Five (25), West Fourth (4th) Meridian. Northwest Utilities is planning to take gas from this well next year.
- (b) A well has been completed as an oil well on Legal Subdivision Sixteen (16), in Section Twenty-One (21), Township Fifty-Four (54), Range Twenty-Five (25), West Fourth (4th) Meridian. This well is producing approximately Thirty (30) barrels daily.
- (c) In the Excelsior subdivision of the Campbell area a well is rigging up prior to spudding on Legal Subdivision Fourteen (14) of Section Two (2), in Township Fifty-Six (56), Range Twenty-Four (24), West Fourth (4th) Meridian.

List of Acreage

West Edmonton, Alberta:

East Half Section Twenty-Two (22), Township Fifty-Two (52), Range Twenty-Five (25), West Fourth (4th) Meridian, Alberta. These lands are held under Lease from the Province of Alberta by Pan Western Oils Limited and are subject to a royalty of Twelve and One-Half Per Cent (12½%) payable to the Crown. The Company holds a Twenty-Five Per Cent (25%) undivided interest with Pan Western Oils Limited in said lands.

Glendon, Alberta:

Ninety-Seven Thousand, Nine Hundred and Twenty (97,920) acres held under Reservation in the name of John Corbett, from the Province of Alberta, covering the following lands, namely:

All those parcels or tracts of land situate, lying and being in the Province of Alberta, Dominion of Canada, and being composed of:

Sections One (1) to Thirty-Six (36) inclusive in Township Sixty (60), Range Eight (8), West of the Fourth (4th) Meridian; and Sections One (1) to Twenty-Four (24) inclusive; the North Half of Section Twenty-Five (25); the South Half and North West Quarter of Section Twenty-Six (26); Sections Twenty-Seven (27) to Thirty-Five (35) inclusive, and the West Half of Section Thirty-Six (36), in Township Sixty-One (61), Range Eight (8), West of the Fourth (4th) Meridian; and

The North Half and South West Quarter of Section One (1); Sections Two (2), Three (3), Four (4), Five (5) and Six (6); the North Half and South West Quarter of Section Seven (7) and Sections Eight (8) to Thirty (30) inclusive, in Township Sixty-Two (62), Range Eight (8), West of the Fourth (4th) Meridian; and

Section One (1) to Twenty-Seven (27) inclusive; the South Half and North East Quarter of Section Twenty-Eight (28) and Sections Twenty-Nine (29) to Thirty-Six (36) inclusive, in Township Sixty-One (61), Range Nine (9), West of the Fourth (4th) Meridian; and

Sections One (1), Two (2) and Three (3); the North Half and South East Quarter of Section Four (4); Sections Five (5) to Fourteen (14) inclusive; the East Half of Section Fifteen (15); the North Half and South West Quarter of Section Sixteen (16) and the whole of Sections Seventeen (17) and Eighteen (18), in Township Sixty-Two (62), Range Nine (9), West of the Fourth (4th) Meridian;

The Company holds a working interest of Twelve and One-Half Per Cent (12½%) in said acreage.

Manawan, Alberta:

Sections Twenty-Seven (27), Twenty-Eight (28), Twenty-Nine (29), Thirty-Three (33), South West and North East Quarters of each of Sections Twenty (20), Twenty-Two (22), Thirty-Two (32), Thirty-Four (34), all in Township Fifty-Seven (57), Range Twenty-Five (25), West Fourth (4th) Meridian, Alberta. These lands are held under Leases from various lessors by Imperial Oil Limited. There is a royalty payable of Twelve and One-Half Per Cent (12½%). The Company's interest in said lands is Two Thirds of Fifty Per Cent (2/3rds of 50%).

Birch Lake, Alberta:

Fractional West Half Section Five (5), whole of Section Seven (7), fractional West Half Section Nineteen (19), North East Quarter Section Thirteen (13), whole of Section Seventeen (17), fractional East Half Section Nineteen (19), whole of Section Thirty-One (31), all in Township Fifty-One (51), Range Ten (10), West Fourth (4th) Meridian, Alberta. These lands are held by Barnsall Oil Company on behalf of itself and certain associated American oil companies under Reservations from the Canadian Pacific Railway Company. The lands are all subject to a royalty of Twelve and One-Half Per Cent (12½%), and the fractional West Halves of Sections Five (5) and Nineteen (19), and all of Section Seven (7), all in Township Fifty-One (51), Range Ten (10), West of the Fourth (4th) Meridian, Alberta, are subject to an additional royalty of Five Per Cent (5%) payable to Highwood Development Company Limited. The Company has an undivided One/Half (½) interest in said lands.

St. Walburg, Saskatchewan:

Five Hundred Thousand (500,000) acres situate in Townships Fifty-One (51) to Fifty-Seven (57), inclusive and Ranges Twenty (20) to Twenty-Seven (27) inclusive, all West Third (3rd) Meridian, Saskatchewan. These lands are held under Reservations from the Province of Saskatchewan by The Lambton Company Limited and lie North and Northeast of Lloydminster, Saskatchewan. These Reservations grant to the holders thereof the right to take up Leases in respect of the lands reserved. These lands will be subject to a royalty payable to the Government of Saskatchewan in such amount as may be fixed, but not exceeding Twelve and One-Half Per Cent (12½%). The Company holds an undivided Eight and One/Third Per Cent (8 and 1/3rd%) interest throughout in said lands, plus an additional One/Quarter of Seventy-Five Per Cent (¼ of 75%) interest.

Opal, Alberta:

All of Section Thirteen (13) excepting Legal Subdivision Sixteen (16) thereof in Township Fifty-Eight (58), Range Twenty-Three (23), West Fourth (4th) Meridian, Alberta. These lands are situate in the Opal sector of the Redwater area, Alberta, and are held under Lease from the Crown by Imperial Oil Limited. The land is subject to a Twelve and One-Half Per Cent (12½%) royalty to the Crown, plus an oil payment of Twenty Thousand (20,000) barrels from Twelve and One-Half Per Cent (12½%) of production obtained from each well drilled thereon payable to Imperial Oil Limited. These lands are held under Agreement between Imperial Oil Limited and Pacific Petroleum Limited (N.P.L.) which in turn granted an Agreement to Spooner Oil Limited, who hold the acreage in trust for Long Island Petroleum Limited as to a Fifteen Per Cent (15%) interest in Spooner Oils Limited's interest therein, namely, Seventy-Five Per Cent (75%).

Spring Coulee, Alberta:

North West Quarter Section Thirty (30) and South West Quarter Section Thirty-One (31), all in Township Three (3), Range Twenty-Two (22), West Fourth (4th) Meridian, Alberta. These lands are situate in the Spring Coulee area, Alberta, and are subject to a Twelve and One-Half (12½%) Per Cent royalty except Legal Subdivisions Twelve (12) and Thirteen (13) out of the North West Quarter Section Thirty (30), which are subject to a royalty of Fifteen Per Cent (15%). This Company has a 3.825% interest in these lands under an Agreement with Calyan Petroleum Limited, which holds said lands under a Farmout Agreement from the original lessee thereof, Socony-Vacuum Exploration Company.

LIST OF ACREAGE (Continued)

Campbell:

A One/Sixth (1/6th) of Fifty Per Cent (50%) working interest under Agreement with Northern Development Company in:

- (a) Lot Fifty-Nine (59) in the St. Albert Settlement in Township Fifty-Four (54), Range Twenty-Five (25), West Fourth (4th) Meridian, comprising 280.20 acres, less 50.20 acres reserved to the Crown;
- (b) Legal Subdivisions Eleven (11), Twelve (12), and Fourteen (14), and the North Halves of Legal Subdivisions Five (5) and Six (6), of Section Thirteen (13), Township Fifty-Four (54), Range Twenty-Five (25), West Fourth (4th) Meridian;
- (c) Lot Fifty-Eight (58) in the St. Albert Settlement containing 172 acres, more or less, and the North Half of Legal Subdivision Eight (8) of Section Fourteen (14), Township Fifty-Four (54), Range Twenty-Five (25), West Fourth (4th) Meridian, containing Twenty (20) acres, more or less;
- (d) River Lot Fifty-Seven (57), in the St. Albert Settlement in Township Fifty-Four (54), Range Twenty-Three (23), West Fourth (4th) Meridian, containing 179 acres, more or less;

A One/Twenty-Fourth (1/24th) working interest under Agreement with Northern Development Company in:

- (e) The North Halves of Legal Subdivisions Nine (9) and Ten (10) and all of Legal Subdivisions Fifteen (15) and Sixteen (16) of Section Twenty-One (21), Township Fifty-Four (54), Range Twenty-Five (25), West Fourth (4th) Meridian;
- (f) Legal Subdivision Fourteen (14) of Section Two (2), Township Fifty-Six (56), Range Twenty-Four (24), West Fourth (4th) Meridian (sometimes described as "Excelsior area").

The above lands described in clauses (a to e) are subject to gross overriding royalty of Fifteen Per Cent (15%), and the lands described in clause (f) are subject to Crown royalty, presently at Twelve and One-half Per Cent (12½%).

October, 1950.

CERTIFIED to be a true and correct record of the properties held by LONG ISLAND PETROLEUMS LIMITED or in which the Company is interested.

"E. H. LABORDE," *Managing Director.*
"W. S. GRAY," *Director.*

GEOLOGISTS' REPORT

REPORT ON THE INTERESTS AND HOLDINGS OF LONG ISLAND PETROLEUMS LIMITED

ABSTRACT

Long Island Petroleums Limited (hereinafter referred to as "the Company") has interests in one producing oil well and two potential gas wells in the Province of Alberta. The total estimated recoverable oil reserves is 72,000 barrels of which the Company's share is 3,000 barrels. The total estimated recoverable gas reserves in one area is 12 billion cubic feet of which the Company's share is 4 billion, plus an unestimated gas reserve in the area of the second well.

The Company also has interests in approximately 106,848 acres of leases and reservations in the Province of Alberta and 500,000 acres of reservation in the Province of Saskatchewan. In all, the Company's net share amounts to 150,713 acres, more or less, of which a considerable portion is well located with respect to producing fields and current exploratory activity. (See tabulation and map of Acreage.)

INTRODUCTION

Long Island Petroleums Limited (hereinafter referred to as "the Company") have offices in the city of Calgary, Alberta.

The Company has acquired, through agreements with other companies and individuals, a share in one producing oil well and two potential gas wells which prove up a considerable area of gas reserves on the surrounding acreage of Company interest, and Percentage interests in some 606,848 acres of Petroleum and Natural Gas Leases and Reservations in the Province of Alberta and Saskatchewan.

The Company's representation as to its participation and percent thereof in the properties described herein, has been accepted without reference, on the part of the authors, to the documents of agreement. The tabulation of acreage, enclosed location map, and all properties dealt with specifically in this Report are based upon a summary prepared by the Company's solicitor together with additional information supplied by the Company. This representation, giving some detail of the transactions involved, is included as an appendix to this Report.

PRODUCING ACREAGE

Oil:

The Company has a 1/24th interest in 120 acres in the North-east corner of Section 21, Township 54, Range 25, W. 4th Meridian at the southern end of the Campbell field where oil is being produced from the Basal Quartz sandstone member of the Lower Cretaceous.

One well, High Crest Campbell No. 1A, has been drilled to production in Lsd. 16 of the Company holdings. As this well is located on that part of the lease in closest proximity to the proven field, 40 acres only are being considered as proven although the remaining 80 acres have good possibilities for yielding oil.

The well was placed on pump in September 5th to 8th 1950 and yielded 77 barrels in the three days. The estimate of recoverable reserves, volumetrically calculated, using the known factors and a six foot effective producing section, is 72,000 barrels of which the Company's share is 3,000 barrels before deduction of royalties.

Gas:

In the Manawan area, where the Bailey Long Island No. 1 well in Lsd. 10 of Section 28, Township 57, Range 25, West of the 4th Meridian, discovered a gas field in the Lower Cretaceous, the Company has a 1/3 interest in 3,840 acres of leases surrounding the well. The open flow potential of this well is estimated to be in excess of 10,000 Mcf., and the marketable reserves based on an estimated two thousand proved acres, are 14 billion cubic feet. As the greater part of this two thousand acres is covered by leases in which the Company participates, it is estimated that their 1/3 interest will give them a gross reserve in the vicinity of 4 billion cubic feet.

No estimate has been made of the probable recoverable gas reserves from the 761 acres of leases in the St. Albert Settlement where the Saffold Long Island Campbell No. 1 well made a gas discovery. Drill stem tests in the section from 3,641 feet to 3,661 feet indicate that the well could be made a commercial producer. On the basis of a 20 foot effective section, and assuming the area to have similar characteristics to those of nearby productive quartz sands, it may be expected to yield in the neighborhood of 10,000 Mcf. per acre. On the basis of one well, no estimate can be made of the areal extent of the field.

NON-PRODUCING (UNDEVELOPED) ACREAGE

The Company's interests in some 606,848 acres of non-producing Petroleum and Natural Gas Crown and Freehold leases and reservations (Prospecting Permits) gives them approximately 150,713 net acres located mainly in the eastern central part of the Province of Alberta and in one large block in the western central part of the Province of Saskatchewan.

Much of this acreage is located in areas where important discoveries have been made and where, at the present time, intensive exploratory effort is being expended by the industry.

The following is an appraisal of the separate parcels in which the Company has an interest:

West Edmonton:

The Company has an interest in 320 acres of Crown lease in Section 22, Township 52, Range 25, West of the 4th Meridian. This acreage is located in the general Edmonton area where the major part of Alberta's oil has been discovered to date. The fact that the Pan Western Edmonton No. 1 well located 1 1/3 miles to the west of the lease, failed to find oil in the D1 and D2 horizons and found the D3 absent is no positive indication that the D3 reef may not again be present in the lease area.

Glendon Area:

In Township 60-62, Ranges 8 and 9, West of the 4th Meridian, the Company has an interest in a Crown reservation consisting of 97,920 acres. This reservation is in an area offering good possibilities for production of gas in commercial quantities from the Viking and Lower Cretaceous sands.

GEOLOGISTS' REPORT (Continued)

The Manawan Area:

In Township 57, Range 25, West of the 4th Meridian, the Company has an interest in 3,840 acres of leases. The potentialities of this area have already been discussed in conjunction with the Saffold Long Island Campbell well under the "Proven Acreage" section.

Birch Lake Area:

The Company has an interest in 2,927 acres in this area in Township 51, Range 10, West of the 4th Meridian. In the Birch Lake area the Upper Devonian is missing to the bottom of the D3 zone. There are, however, possibilities for commercial gas production from the Viking sandstone and, although oil has not been encountered in Alberta to date below the Devonian D3, the possibilities of encountering oil in commercial quantities below the Devonian cannot be discounted.

Saskatchewan:

The Company has an interest in a vast Crown reservation covering 500,000 acres in Townships 51-57, Ranges 20-27, West of the 3rd Meridian in the Province of Saskatchewan adjoining the Alberta border. The area offers good prospects of commercial gas in the Lower Cretaceous, and the chances of discovering heavy oil are excellent, particularly when the areal extent of the reservation is taken into consideration. The chances of encountering light oil are in direct proportion to the amount of exploratory effort which the lessees are willing to expend in order to thoroughly cover and test such an extensive area.

Opal Area:

In Township 58, Range 53, West of the 4th Meridian, the Company has an interest in all of Section 13 excepting Lsd. 16 where Pacific Petroleum Ltd., drilled a small producer. The well, Pacific Calvan Opal No. 1, is credited with 16 foot of effective porous thickness in the Devonian D3 reef of the Redwater pool. The estimated ultimate recovery for this well, based on its 40 acre allotment, is 98,000 barrels.

No further drilling has been done to the West or to the South of the Opal well, however, there are good possibilities that a strip of the productive reef may extend from the Opal well in a South-westerly direction.

Spring Coulee:

In Township 3, Range 22, West of the 4th Meridian, the Company has an interest in 320 acres lying adjacent to the east of the National Spring Coulee Malmberg No. 1 and the National Calvan Tower No. 1, and to the north and east of the National Centennial wells, all of which are potential producers in the Madison limestone of the Spring Coulee structure. Producing depths for these three wells are around 6,000 feet. The effective porous producing zone of these wells is approximately 40 feet thick and must be acidized and pumped in order to obtain production. In addition to the Madison, there are also possibilities for oil occurrences in the Devonian. The formations below the Madison, however, have not been penetrated in the area and deep drilling would be required in order to test the Devonian. The Company acreage, located as it is within a quarter of a mile of the Tower & Malmberg wells, has good possibilities of being productive.

Campbell Area:

The gas and oil potentialities of the Company properties in the Campbell area have been discussed under the "Producing Acreage" section of this Report where they are considered in conjunction with producing or potential producing oil and gas wells.

The Excelsior Area: The Second

The Company has an interest in 40 acres being Lsd. 14 of Section 2, Township 56, Range 24, West of the 4th Meridian, on the eastern edge of the presently proven Excelsior field. The Lsd's to the West and Northwest of the property are both productive. Those to the North and South have not been drilled. It is probable that the Eastern limit of the productive field will pass through the Company acreage but may leave an appreciable section capable of commercial production.

LINK & NAUSS LIMITED,
"A. W. NAUSS," R.P.E. Alta.

**SUMMARY OF NON-PRODUCING ACREAGE IN WHICH
LONG ISLAND PETROLEUMS LIMITED HAS AN INTEREST AS OF SEPTEMBER 26, 1950**

Area	Location	Nature of Holding	Royalty Interest	Gross acreage	Long Island net working interest	Long Island Equivalent net acreage
West Edmonton	Twp. 52, R. 25, W. 4th M. Twp. 60, R. 8, W. 4th M.) Twp. 61, R. 8, W. 4th M.)	Cr. Lease	12½%	320	25%	80 acres
Glendon	Twp. 62, R. 8, W. 4th M.) Twp. 61, R. 9, W. 4th M.) Twp. 62, R. 9, W. 4th M.)	Cr. Resn.	12½%	97,920	12½%	12,240 acres
Manawan	Twp. 57, R. 25, W. 4th M.	Cr. and F.H. Lease	12½%	3,840	33 1/3%	1,280 acres
Birch Lake	Twp. 51, R. 10, W. 4th M.	C.P.R. Resn.	12½%	2,927	50%	1,463 acres
Saskatchewan	Twp. 51-57, R. 20-27 W. 3rd M.	Cr. Resn.	12½%	500,000	27.1%	135,500 acres
Opal	Twp. 58, R. 23, W. 4th M.	I.O.L. Farmout	12½%	600	11.25%	67 acres
Spring Coulee	Twp. 3, R. 22, W. 4th M.	Socony Vac. Farmout	12½% except 2 LSDs (15%)	320	3.825%	12 acres
Campbell	Twp. 54, R. 25, W. 4th M. Twp. 54, R. 25, W. 4th M.)	Freehold Freehold)	10% — 2½% - 2½%	582 120	8.3% 4 1/6%	49 acres 5 acres
Excelsior	Twp. 54, R. 23, W. 4th M. Twp. 56, R. 24, W. 4th M.	Freehold Freehold)		179 40	8.3% 4 1/6%	15 acres 2 acres
				606,848		150,713

CERTIFICATE

I, Theo. A. Link, of 3100 Canadian Bank of Commerce Building, 25 King Street West, Toronto 1, Ontario, and 202 Wilson Electric Building, 337 8th Avenue West, Calgary, Alberta, Geologist, do declare:

1. That I was graduated in the year 1918 from the University of Chicago, in the State of Illinois, in Geology, and also obtained the degree of Doctor of Philosophy from that institution in the year 1927.

2. That I am a Registered Professional Engineer in the Province of Alberta and Ontario; a Fellow of the Geological Society of America; a member of the American Association of Petroleum Geologists, the Canadian and American Institutes of Mining Engineers, the American Geophysical Union, the Alberta Society of Petroleum Geologists, the Geological Association of Canada, etc.

3. I have no interest, directly or indirectly, nor do I expect to receive any interest directly or indirectly, in the properties described in the Report entitled: "Report on the Interests and Holdings of Long Island Petroleum Limited," nor have I any interest present or expected in the securities of the Company.

4. The above Report is based on a summary prepared by the Company and the Company's solicitor insofar as the Company's holdings and percentage participation therein are concerned. The geological opinions expressed are based on a study of the wells and the author's knowledge of the area and surrounding areas.

"THEO. A. LINK," *R.P.E. of Alberta and Ontario.*

CERTIFICATE

I, Arthur William Nauss, in the Province of Alberta, Geologist, hereby certify as follows:

(a) I reside at Calgary in the Province of Alberta, and am by profession a Petroleum Geologist.

(b) I graduated as a geologist from the University of New Brunswick with the degree of Bachelor of Science in the year 1939; I obtained the degree of Master of Science at McGill University in the year 1940; and I obtained the degree of Doctor of Philosophy from Stanford University in the year 1943. I am a member of the American Association of Petroleum Geologists.

(c) I have no interest, directly or indirectly, nor do I expect to receive any interest directly or indirectly, in the properties described in the Report entitled: "Report on the Interests and Holdings of Long Island Petroleum Limited," nor have I any interest present or expected in the securities of the Company.

(d) The above Report is based on a summary prepared by the Company and the Company's solicitor insofar as the Company's holdings and percentage participation therein are concerned. The geological opinions expressed are based on a study of the wells and the author's knowledge of the area and surrounding areas.

"A. W. NAUSS," *R.P.E. of Alberta.*

